

NOTES FOR DIRECTOR'S TESTIMONY

on

EXECUTIVE PAY BILL

I. FOR SUMMARY OF EXECUTIVE PAY LEGISLATION SEE TAB (A).

- a. Emphasize your strong support of the principle of increasing salaries for senior executive in Government generally.
- b. Summarize our specific problems.
 1. Anonymity not a very good reward.
 2. Good, capable people are lost when they are faced with problems educating children, etc., or providing for their families in other ways.
 3. Responsibility of these senior people is usually out of all proportion to their salaries.
 4. Usually they can command greater salaries in industry. Example - Herb Miller.

II. THIS SPECIFIC LEGISLATION. (FOR SUMMARY SEE TAB B)

- a. Director and Deputy Director.
 1. Of primary concern is the relative positions (not the salaries) of the Director and Deputy Director of Central Intelligence in the over-all executive pay structure. (Emphasize that you and General Cabell are not seriously concerned about your personal salaries.)

2. The Director of Central Intelligence works on equal terms with the Deputy Secretary of Defense, the Under Secretary of State and the senior administrative assistants to the President. He regularly attends meetings of the National Security Council, is the principal foreign intelligence advisor to the Council, and a full member of the Operations Coordinating Board, in addition to his responsibilities as the operating head of the Central Intelligence Agency. The Hoover Commission (Clark Task Force) recommended that the position of Director of Central Intelligence be equated with that of the Deputy Secretary of Defense.
3. The Deputy Director of Central Intelligence works on equal terms with the Deputy Under Secretary of State and the Under Secretaries of the military departments. The Hoover Commission (Clark Task Force) recommended that the Deputy Director of Central Intelligence be equated with the Under Secretaries in the Executive Departments.

III. GRADES GS-17 AND GS-18:

- a. While we are exempt from the Classification Act and have authority to fix our own salaries, we have as a matter of practice followed the Civil Service classification system and standards.
- b. While any increase over present salaries for these grades would be helpful, ranging the GS-18's from \$16,000 to \$17,500 as the Senate Bill proposes seems highly desirable and would be a very great help in keeping our highly skilled people. Many of these have had years

of training in our unusual work and it would take a number of additional years to train comparable replacements.

c. Number of supergrade positions in CIA. (I think that you should avoid discussing this if possible, but it is logical to expect that you may be asked this question.)

1. We now have on duty ☐ people in supergrade or higher positions, including the statutory positions of the Director and Deputy Director of Central Intelligence. (Colonel White can supply further detail if needed.)

2. A careful study comparing the positions above the grade GS-15 salary with that of other agencies which we feel it is fair to compare ourselves indicates that we would not exceed the general structure of other agencies if we had ☐ supergrade positions. This was arrived at by taking a composite supergrade ratio of State, AEC, ICA, and USIA. (Colonel White can supply further detail if needed.)

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IV. PRINCIPAL OPERATING DEPUTIES AND COMPARABLE POSITIONS: (It may be inadvisable also to get into a discussion of your plan to pay some salaries in excess of the grade GS-18 level and not in excess of those of the Deputy Director of Central Intelligence. You will recall that while the House Appropriations Committee sanctioned this action they also cautioned against undue publicity and as I recall it we said that we would come back and discuss our proposal with them prior to implementation. However, if you testify, I think it is logical to assume that

you may not be able to avoid questions along this line.)

- a. For positions which have been recommended by the Supergrade Review Board for compensation at higher than the grade GS-18 rate, see Tab C.
- b. We believe that these officials are comparable to Assistant Secretaries and Deputy Assistant Secretaries generally. For an indication as to the number of Assistant and Deputy Assistant Secretaries other agencies have, see Tab D.